

MEMORANDUM

To: Pennsylvania State Employees' Retirement System ("SERS") Board Members
From: StepStone Group ("StepStone")
Date: February 11, 2020
Re: PA SERS / Neuberger Berman Co-Investment Strategic Account

Overview

The proposed strategic partnership comprises a US\$200 million commitment to a bespoke co-investment vehicle managed by Neuberger Berman Alternative Advisors ("NB").

Fit with SERS' Strategic Objectives

The proposed investment is in-line with SERS' strategic objective of "achieving the assumed annual rate of return at the least cost" per SERS' Defined Benefit Plan Investment Policy Statement, as adopted by SERS' Board in December 2019.

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